



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 4, 1997

### **H.R. 2709** **Iran Missile Proliferation Sanctions Act of 1997**

*As ordered reported by the House Committee on International Relations  
on October 24, 1997*

H.R. 2709 would require the President to report to the Congress and to impose sanctions upon foreign persons who have contributed to Iran's efforts to acquire, develop, or produce ballistic missiles. Persons identified in the report would be ineligible for export licenses for arms or controlled goods and technology, and for foreign aid. In addition, section 7 of the bill would authorize the use of appropriated funds to acquire weapons-related material, delivery systems, or technology to prevent their transfer to Iran.

Based on information from the Department of State (DOS), CBO estimates that the additional reporting requirements would cost less than \$500,000 annually, assuming appropriation of the necessary funds. CBO estimates that section 7 of the bill would have no budgetary impact because current law already allows DOS to take the measures authorized by that section and enactment of H.R. 2709 would not increase spending on such activities. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

The Unfunded Mandates Reform Act of 1995 (UMRA) excludes from application of that act legislative provisions that are necessary for the national security. CBO has determined that the provisions of H.R. 2709 either fit within this exclusion or do not contain private-sector or intergovernmental mandates as defined by UMRA.

The estimate was prepared by Joseph C. Whitehill. The estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.